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THE RSC GOLDEN TURKEY AWARD

New FERC Ruling Tramples Private Property Rights

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The RSC Golden Turkey Award highlights absurd – yet obscure – government regulations. These bureaucratic rules are destroying property rights of homeowners. You buy a home, then the government tells you to tear it down for no good reason.





In a July ruling, the Federal Energy Regulatory Commission (FERC) has issued a modification order seriously injuring homeowners within the buffer zone around the Lake of the Ozarks.

The Lake of the Ozarks is a large recreational and hydroelectric power lake in Missouri that was built in the 1920s and '30s. After the lake was constructed, the land surrounding the lake was made available for sale. Private citizens built homes and improved their property by adding docks for boats, walkways, gazebos and other structures. Today, there are roughly 4,000 structures including 1,200 homes built either partially or entirely within the buffer zone. Most of them have been properly built with permits and on valid easements owned by the homeowners.

The hydroelectric dam and the Lake are owned and operated by Ameren, a private utility that is regulated by FERC. FERC required Ameren to submit a "Shoreline Management Plan" to lay out how the structures within the buffer zone would be managed. Ameren submitted their plan in 2008. More than two years later, in July 2011, FERC issued unprecedented modifications to Ameren's proposal that dramatically infringe on the rights of property owners.

FERC ruled that any home, walkway, dock, gazebo and other structure within the buffer zone of the Lake must be torn down expeditiously. The report justified its decision by stating that the structures "can have adverse affects on project purposes and the project's scenic, recreational, and environmental values," but provided no evidence to support its ruling. FERC's ruling disregarded the property rights of the 1,200 homeowners living around the Lake, and it has recently issued similar rulings at more than six other lakes across the country. Last week, FERC tried to backtrack somewhat on its order, but it leaves holes that greatly threaten property rights.

Rep. Hartzler has introduced H.R. 3244, which would stop this outrageous exercise of power by prohibiting FERC from ordering structures to be torn down under the Shoreline Management Plan. The entire Missouri delegation has signed on to this legislation in a bipartisan show of support for individual property rights and against a federal agency trampling private property rights. If you wish to cosponsor, please contact Eric Bohl at eric.bohl@mail.house.gov.

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